



DOUGLAS A. DUCEY  
GOVERNOR

STATE OF ARIZONA  
OFFICE OF THE GOVERNOR

EXECUTIVE OFFICE

April 3, 2018

The Honorable Michele Reagan  
Secretary of State  
1700 W. Washington, 7<sup>th</sup> Floor  
Phoenix, AZ 85007

Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2<sup>nd</sup> Regular Session, which I signed on April 3, 2018:

HB 2036 substitute teachers; experience; certification (Carter)  
HB 2097 pension funding policies; employers (Livingston)  
HB 2169 driving violations; restricted licenses; penalties (Boyer)  
HB 2198 property tax; delinquent tax list (Shope)  
HB 2245 prohibited bail; sexual conduct; molestation (Farnsworth, E.)  
HB 2272 unmanned aircraft; emergencies; immunity (Thorpe)  
HB 2302 private postsecondary regulation; opt-in (Thorpe)  
HB 2421 national guard; employment rights (Andrade)  
HB 2457 corporation commission; database fee; prohibited (Norgaard)  
HB 2561 schools; civics literacy state seal (Boyer)  
HB 2591 fallen correctional employees memorial; extension (Shope)  
HB 2603 corporations; blockchain technology (Weninger)  
SB 1110 photo radar; review; penalty (Borrelli)  
SB 1159 school employees; contracts; revisions (Allen, S.)  
SB 1163 credit security freezes; fees; prohibition (Brophy McGee)  
SB 1240 weights and measures; duties; systems (Pratt)  
SB 1376 landlord tenant act; personal property (Griffin)  
SB 1393 dissolution; human embryos; disposition (Barto)  
SB 1432 ranchers; landowners; fire training (Griffin)

Sincerely,

A handwritten signature in black ink, reading "Douglas A. Ducey". The signature is fluid and cursive, with the first name "Douglas" being the most prominent.

Douglas A. Ducey  
Governor  
State of Arizona

cc: Senate Secretary  
Chief Clerk of the House of Representatives  
Arizona News Service

House Engrossed

**FILED**

**MICHELE REAGAN**  
**SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fifty-third Legislature  
Second Regular Session  
2018

**CHAPTER 112**  
**HOUSE BILL 2097**

AN ACT

AMENDING TITLE 38, CHAPTER 5, ARTICLE 4, ARIZONA REVISED STATUTES, BY  
ADDING SECTION 38-863.01; RELATING TO THE PUBLIC SAFETY PERSONNEL  
RETIREMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 38, chapter 5, article 4, Arizona Revised  
3 Statutes, is amended by adding section 38-863.01, to read:

4 38-863.01. Pension funding policies; employers

5 A. BEGINNING ON OR BEFORE JULY 1, 2019, EACH GOVERNING BODY OF AN  
6 EMPLOYER SHALL ANNUALLY:

7 1. ADOPT A PENSION FUNDING POLICY FOR THE SYSTEM FOR EMPLOYEES WHO  
8 WERE HIRED BEFORE JULY 1, 2017. THE PENSION FUNDING POLICY SHALL INCLUDE  
9 FUNDING OBJECTIVES THAT ADDRESS AT LEAST THE FOLLOWING:

10 (a) HOW TO MAINTAIN STABILITY OF THE GOVERNING BODY'S CONTRIBUTIONS  
11 TO THE SYSTEM.

12 (b) HOW AND WHEN THE GOVERNING BODY'S FUNDING REQUIREMENTS OF THE  
13 SYSTEM WILL BE MET.

14 (c) DEFINING THE GOVERNING BODY'S FUNDED RATIO TARGET UNDER THE  
15 SYSTEM AND THE TIMELINE FOR REACHING THE TARGETED FUNDED RATIO.

16 2. FORMALLY ACCEPT THE EMPLOYER'S SHARE OF THE ASSETS AND  
17 LIABILITIES UNDER THE SYSTEM BASED ON THE SYSTEM'S ACTUARIAL VALUATION  
18 REPORT.

19 B. THE GOVERNING BODY SHALL POST THE PENSION FUNDING POLICY ON THE  
20 GOVERNING BODY'S PUBLIC WEBSITE.

**APPROVED BY THE GOVERNOR APRIL 3, 2018**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 3, 2018**

Passed the House February 12, 20 18

by the following vote: 58 Ayes,

0 Nays, 1 Not Voting

[Signature]  
Speaker of the House  
☐ Pro Tempore  
[Signature]  
Chief Clerk of the House

Passed the Senate March 28, 20 18

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

[Signature]  
President of the Senate  
[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

29<sup>th</sup> day of March, 20 18

at 12:22 o'clock P. M.

[Signature]  
Secretary to the Governor

Approved this 30 day of

April 2018

at 1:34 o'clock P. M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 3 day of April, 20 18

at 4:12 o'clock P. M.

[Signature]  
Secretary of State

H.B. 2097